



651 Commerce Drive  
Roseville, CA 95678

phone (916) 781-3636  
fax (916) 783-7693  
web www.ncpa.com

# LEC PPC Meeting Minutes

---

**Date:** April 12, 2021

**Time:** 10:00 am

**Location:** Lodi Energy Center – 12745 N. Thornton Rd, Lodi, CA 95242 and by teleconference

**Subject:** Lodi Energy Center Project Participant Committee Meeting

---

## 1. Review Safety Procedures

The PPC reviewed the NCPA Safety Procedures and assigned safety roles.

## 2. Call Meeting to Order and Roll Call

The PPC meeting was called to order at 10:01 am by Chairman Basil Wong. He asked that roll be called for the Project Participants as listed below.

<b>PPC Meeting Attendance Summary</b>		
<b>Participant</b>	<b>Attendance</b>	<b>Particulars / GES</b>
Azusa - Robledo	Present	2.7857%
BART - Lloyd	Absent	6.6000%
Biggs - Sorenson	Present	0.2679%
CDWR - Sharma	Present	33.5000%
Gridley - Sanchez	Present	1.9643%
Healdsburg - Crowley	Absent	1.6428%
Lodi - Chiang	Present	9.5000%
Lompoc - Main	Present	2.0357%
MID - Costalupes	Present	10.7143%
Plumas-Sierra - Brozo	Absent	0.7857%
PWRPA - Bradley	Absent	2.6679%
SVP - Wong	Present	25.7500%
Ukiah - Grandi	Absent	1.7857%
<b>Summary</b>		
Present	8	86.5179%
Absent	5	13.4821%
Quorum by #:	Yes	
Quorum by GES:	Yes	
Meeting Date:	4/12/2021	

## **Public Forum**

Chairman Wong asked if any members of the public were present in Lodi or at any of the other noticed meeting locations who would like to address the PPC on any agenda items or on any item within the jurisdiction of the LEC PPC and not listed on the agenda. No members of the public were present.

### **3. Meeting Minutes**

The draft minutes from the March 8, 2021 Regular Meeting and the March 31, 2021 Special Meeting were considered. The LEC PPC considered the following motion:

**Date:** 4/12/2021

**Motion:** The PPC approves the minutes from the March 8, 2021 regular LEC PPC meeting and the March 31, 2021 special LEC PPC meeting.

**Moved by:** Lodi  
**Seconded by:** Biggs

Discussion: No further discussion

<b>Vote Summary on Motion</b>		
<b>Participant</b>	<b>Vote</b>	<b>Particulars / GES</b>
Azusa	Absent	2.7857%
BART	Absent	6.6000%
Biggs	Yes	0.2679%
CDWR	Yes	33.5000%
Gridley	Yes	1.9643%
Healdsburg	Absent	1.6428%
Lodi	Yes	9.5000%
Lompoc	Yes	2.0357%
Modesto	Yes	10.7143%
Plumas-Sierra	Absent	0.7857%
PWRPA	Yes	2.6679%
Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%
<b>Vote Summary</b>		
Total Ayes	8	86.4001%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	5	13.5999%
<b>Result:</b>		<b>Motion Passes</b>

## **MONTHLY REPORTS**

### **4. Operational Reports for March 2021**

Rafael Santana presented the Operational Report for March. There were no OSHA recordable accidents, and no NERC/WECC or permit violations. There were two forced outages during the month; Rafael discussed each forced outage briefly. There are no changes to the 2021 outage schedule.

The operational report reflected monthly production of 104,722 MWH, 385 service hours, and equivalent operating availability of 80.8%. The report set for the Capacity Factor @ 302MW Pmax of 46.7%. There were 2 hot starts, 3 warm starts, and 2 cold starts during the month.

### **5. Market Data Report for April 2021**

Zakary Liske presented the operating and financial settlement results for the month. LEC was committed to CAISO 18 out of 31 available days. Most startups were for mid to long term runs, with eleven 24-hour runs in the month of April.

### **6. Monthly Asset Report**

Mike DeBortoli presented the monthly asset report for April 2021. Mike reported that overall it was a very favorable market for LEC. Mike noted that the Aux Pwr costs were higher than projected. Mike reviewed the monthly historical comparisons as well as the 12-month history.

### **7. Bidding Strategies Report**

Jesse Shields presented the Bidding Strategies Report for March 2021. Jesse reviewed bidding and calculating net start-up costs. Jesse reviewed DA and RT net revenues over the month with the Committee.

## **Consent Calendar (Items 8-19)**

The consent calendar was considered. Chairman Wong asked if any Participant wished to have any item removed for separate discussion. Hearing no requests, he then asked if any Participant wished to abstain from one or more items on the Consent Calendar. There were no abstentions. The LEC PPC considered the following motion:

**Date:** 4/12/2021

**Motion:** The PPC approves the Consent Calendar items consisting of agenda items no.: 8. Treasurer's Report for February 2021; 9. Financial Report for February 2021; 10. GHG Reports (excerpted from the Monthly ARB); 11. Southern Counties Lubricants, LLC First Amendment to MTGSA-EMS for oil analysis, oil filtration services, and purchase of miscellaneous lubricants, increasing the not to exceed from \$225,000 to \$1,500,000 and removing Members and SCPPA; 12. ActiveReservoir, LLC MTCSA for well-related consulting services, not to exceed \$1,000,000, for use at all NCPA facilities and Members/SCPPA; 13. K&A Engineering Consulting, P.C. MTPSA for engineering consulting services related to electrical power generation, not to exceed \$100,000, for use at all NCPA facilities and Members/SCPPA; 14. Syblon Reid MTGSA for routine, recurring, and usual general construction maintenance services, not to exceed \$5,000,000, for use at all NCPA facilities

and Members/SCPPA; 15. Delta Tech Service, Inc. MTGSA for inspection and cleaning, decontamination maintenance services, not to exceed \$1,000,000, for use at all NCPA facilities; 16. EvapTech, Inc. MTGSA-EMS for cooling tower services, not to exceed \$3,000,000, for use at all NCPA facilities and Members/SCPPA; 17. Quantum Spatial, Inc. dba NV5 Geospatial MTGSA for transmission and distribution line modeling and related services, not to exceed \$2,000,000, for use at all NCPA facilities and Members/SCPPA; 18. Black & Veatch Corporation First Amendment to MTPSA for consulting services related to project support and plant operations, extending agreement expiration date from May 26, 2021 to November 26, 2021, for continued use at all NCPA facilities and Members/SCPPA; 19. PMOA Schedule 6.00 revision to update the contact information for the City of Gridley.

**Moved by:** Biggs  
**Seconded by:** SVP

Discussion: No further discussion.

<b>Vote Summary on Motion</b>		
<b>Participant</b>	<b>Vote</b>	<b>Particulars / GES</b>
Azusa	Yes	2.7857%
BART	Absent	6.6000%
Biggs	Yes	0.2679%
CDWR	Absent	33.5000%
Gridley	Yes	1.9643%
Healdsburg	Absent	1.6428%
Lodi	Yes	9.5000%
Lompoc	Yes	2.0357%
Modesto	Yes	10.7143%
Plumas-Sierra	Absent	0.7857%
PWRPA	Yes	2.6679%
Silicon Valley Power	Yes	25.7500%
Ukiah	Absent	1.7857%
<b>Vote Summary</b>		
Total Ayes	8	55.6858%
Total Noes	0	0.0000%
Total Abstain	0	0.0000%
Total Absent	5	44.3142%
Result:	Motion Passes	

## **BUSINESS ACTION ITEMS**

None.

## **INFORMATIONAL ITEMS**

### **20. 2022 PG&E Rate Case Update**

Joel Ledesma gave background on the upcoming 2022 PG&E Gas Rate Case. Outlined top issues as well as two tracks associated with the upcoming rate case. It was emphasized that this is important for all Members, not just LEC Project Participants.

Joel shared an overview of the search for consultant support in the upcoming rate case, including a list of desired attributes. NCPA plans to partner with NCGC as they have in the past; costs for consultant support will be shared with NCGC. Joel reviewed those estimated costs. Joel plans to bring this back to the LEC PPC at an upcoming meeting for approval. There were no Member questions.

### **21. Power Plant Concept Papers and Phasing**

Mike presented Black & Veatch findings on a small hydrogen plant concept. This was prepared by B&V at the same time as the larger hydrogen feasibility study. Mike reviewed each of the three areas for implementation: Combustion Turbine, Production, and Storage.

NCPA already has some of the equipment/parts required for the Combustion Turbine portion. NCPA has applied for OPEN ARPA Grants for each portion of the project, all with a requested 80% : 20% split (Federal Government would pay 80% of costs and NCPA Members would pay the remaining 20%). Mike reviewed costs for each portion. If NCPA was to move forward, the Production portion would require a Shared Services

The Production portion was also reviewed. As with the Combustion Turbine, NCPA has applied for Grants with the same split as above. If NCPA was to move forward with this piece, a Shared Service Agreement would need to be established with CT2 Owners.

Mike also reviewed an underground storage option, including the potential storage volume and other specs. The underground storage comes with more uncertainty. It is not known when NCPA would be notified regarding the grant application for the underground storage (Members would likely have to move forward without knowing if the Grant would be approved). Joel gave a high-level summary.

Members requested more time to consider the proposal. Members also requested additional information regarding economical benefits (specifically when compared with escalating cost of emissions and carbon allowance credits), as well as more information regarding liability and risks (if any) associated with underground storage.

Members agreed a Special Meeting would be helpful in allowing a deep-dive into the underground storage option. Joel and Mike will work to gather additional information for Members prior to the Special Meeting. The Special Meeting will be scheduled for late in April or very early May.

**20     Additional Operational Updates**

There were no additional operational updates at this time.

**Adjournment**

The next regular meeting of the PPC is scheduled for Monday, May 10, 2021 at 10:00 am.

The meeting was adjourned at 11:16 am.

Submitted by: MICHELLE SCHELLENTRAGER